LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7882 NOTE PREPARED: May 5, 2005 BILL NUMBER: SB 508 BILL AMENDED: Apr 29, 2005

SUBJECT: Worker's Compensation Exemption.

FIRST AUTHOR: Sen. Clark

BILL STATUS: Enrolled

FIRST SPONSOR: Rep. Torr

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> Youth Coaches: This bill exempts from worker's compensation and occupational disease law: (1) a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code to the extent the corporation enters into an independent contractor agreement for the performance of youth coaching services on a part-time basis; and (2) the coaches with whom the corporation enters into the agreement.

Worker's Compensation and Occupational Disease Benefits: The bill increases the worker's compensation burial expense allowance to \$7,500.

Effective Date: July 1, 2005.

<u>Explanation of State Expenditures:</u> *Youth Coaches:* The bill should have no fiscal impact on the state unless the Worker's Compensation Board has to modify any rules or procedures. The bill can probably be implemented within existing budget levels.

Worker's Compensation and Occupational Disease Benefits: Burial Allowance: The bill increases the compensation for burial expenses from \$6,000 to \$7,500. The impact on the state would be as an employer and would probably be minor. Burial expenses are a small part of worker's compensation expenditures.

Explanation of State Revenues:

Explanation of Local Expenditures: See *Explanation of State Expenditures*.

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Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: All.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.

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